

Time to end the light touch?

Local authorities' performance on street lighting is heavily monitored, yet it can be beyond their control if electricity suppliers let them down. Debbie Johns questions whether proposals to remedy the situation will help

It is all very well having a performance indicator measuring the time to rectify street lighting faults, or in the case of Scotland, saying a street light must be repaired within a week. Members of the public have the right to expect no less. But what if the council waits a month for the electricity supplier to get round to it and is having to deal with calls from angry residents in the meantime?

At present, the Office of Gas and Electricity Markets (OFGEM) stops short of genuine sanctions when the Distribution Network Operators (DNOs) who provide and maintain electricity connections fail to deal with street lighting faults or carry out connections and disconnections on time. Currently, these operators can be fined if they fail to restore supplies to domestic or commercial customers, but there is no such obligation for unmetered connections such as those to street lights. This means that, despite Service Level Agreements (SLAs) with councils, operators invariably give priority to other works to avoid being fined.

Local authorities and the communities they serve have suffered as a result. The Association for Public Service Excellence (APSE) works with over 300 councils who deliver front-line services including street lighting and offers a benchmarking service called Performance Networks. The latest data from Performance Networks shows that the average time for an electricity supplier to repair lamps from the report of the fault is 19 days and this can be as high as 40 days. The average percentage of faults repaired by the electricity supplier within the SLA timescale is 70%, but this can be as low as 19% in some cases. The average percentage of work orders completed by the electricity supplier within the SLA timescale is 73%, although this can be as low as 2%.

One APSE member, Falkirk Council has seen its performance severely dented through no fault of its own. Records show its supplier, Scottish Power, achieved the response times set out in its lighting SLA in less than 25% of cases. This failure has an adverse effect on the statutory performance indicator which measures the percentage of lighting faults repaired within seven days. More importantly, there has been a considerable increase in public dissatisfaction with the level of service provided. As Graham Spiers, area lighting engineer, says: 'The public are generally unconcerned whether a fault lies with the local authority or with the DNO, their only concern is that the light is fixed quickly, and they hold the local authority entirely responsible.'

Graham Spiers adds that another growing source of public complaint, as energy conservation issues become more widely discussed, is the practice of employing twenty four hour burning. This is a method, used by the DNO, of bypassing the council's devices and temporarily restoring supplies. He says: 'The public don't usually appreciate the technical reasons for doing this and see it as a total waste of energy, particularly when the lights can be burning for months or even years. This leads to increased calls to our customer contact centre and lighting staff, and the public usually don't accept that it's not our fault.'

Local authorities that are experiencing high volumes of customer complaints have been putting pressure on regulators for a number of years to ensure that cabling and networking fault repairs and street lighting connections and disconnections are dealt with more effectively. But the issue has

become highly complex and progress in remedying it has been slow.

The principle of competition in connections, which would allow others suitably qualified for the task to undertake street lighting connection works to the public electricity supply, was first discussed as far back as 1994. However, following concerns expressed by the DNOs about liability in the event of accidents, OFGEM subsequently proposed an SLA for both connections and fault repair works between each local authority and its DNO, the basis of which would be locally agreed. The SLA would be monitored by OFGEM and its results published. This was a disappointment to the local authorities who had lobbied for their concerns to be addressed by having some form of redress against the DNO for poor performance such as penalty clauses.

The SLA commenced in April 2005. Some DNOs appeared to be ill-prepared and the first year's figures showed mixed results. This was also backed up by the Audit Commission bringing in a Best Value Performance Indicator (BV215b) for street lighting connections and fault repairs, with individual local authorities now also reporting on their DNOs' performances in the field.

Following the analysis of the first year's data, OFGEM called another series of consultations last year. This culminated in the publication of the Review of Competition in Gas and Electricity Connections Proposals document in February this year. The consultation exercise concluded on 30 March. OFGEM is expected to issue final proposals during the summer.

In the document, OFGEM acknowledges the necessity for changes to the electricity connections market. It says that competition has developed slowly and admits: 'We have for some time been receiving an increasing number of complaints about these connections. While DNO performance is usually acceptable, there are too many cases of poor performance.'

The proposals attempt to develop closer working relations between local authorities and DNOs, who are expected to agree reported performance between them before submitting to OFGEM. The regulator has developed a package of reporting requirements to assess improvements and determine whether further action is required. All DNOs are expected to surpass national minimum performance levels and report on their achievements in 2007/08. OFGEM will then consider what further action, if any, is required, for example through the price control review. The proposals do not include the potential imposition of financial penalties at this stage.

Whilst APSE members welcome some of these proposals if they are implemented effectively, Mel Harwood, team manager for street lighting at Dudley MBC, is one of the many professionals in local authorities who have been frustrated by the situation. He says: 'Although the process of managing street lighting fault repairs and opening up connections works has seemed at times imperceptibly slow since it was first proposed, OFGEM now has the opportunity to bring about change in the sector which will be for the benefit of both local authorities and local residents alike.'

APSE hopes that OFGEM makes the most of this opportunity. We support the introduction of minimum performance management levels as a first step. But this should be viewed as a first step only. The current proposals mean operators could be named and shamed but suffer no other sanctions.

We hope that OFGEM will go further if necessary and feel that the regulator needs to use a stick as well as a carrot where appropriate. This means, if all else fails, it may be necessary to introduce financial penalties for DNOs' unmetered supplies similar to those imposed for poor service to their domestic and commercial customers. Such penalties should reflect any extra energy consumption costs caused, for example by the 24 hour burning practice discussed previously, and also the reputational impact on councils caused by the delays of DNOs.

We also hope that DNO performance indicators can be established and measured in a holistic way that helps to meet performance standards placed upon local authorities. Local authorities' are accountable for the complaints they receive from the public and the DNOs' own performance measurement ought to reflect this. Councils might then stop getting angry calls and a poor reputation among residents for matters they cannot control.

A more harmonised performance process could enable closer partnerships between local authorities and DNOs to be developed, which could also help environmental issues such as the effect of 24 hour burning on energy consumption, to be addressed.

Street lighting has been found to be a key in reducing crime and increasing public feelings of safety and is a key factor in liveability issues. It is therefore time to ensure electricity suppliers play their part in helping give this matter the priority it deserves.

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